

Natural Resources

Department of Ecology

Funding of \$2.5 million from the state general fund is provided for the mediated settlement with Envirotest, the former contractor of the state's vehicle emission testing program. Envirotest filed suit against the state, alleging lost profits due to changes in the vehicle emission testing program that resulted in fewer vehicles being tested.

The operating budget provides \$1.0 million from the state general fund to establish instream flows by rule for main stem rivers and their key tributaries, to work with counties that have existing geographic information systems to map existing water rights and document current ownership, and to assign one water master to a basin that has been adjudicated.

A total of \$325,000 is provided to reduce two persistent bioaccumulative toxins in the environment. Funding of \$166,000 from the state general fund is provided for rulemaking and the development of a chemical action plan for the chemical compound known as polybrominated diphenyl ethers; this compound is commonly used as a fire retardant. Efforts to reduce mercury are enhanced with an increase of \$159,000 from the State Toxics Control Account.

Department of Fish and Wildlife

The operating budget provides \$150,000 from the state general fund to conduct supplemental monitoring and sampling to open the Lake Washington sockeye fishery and one additional eastern Washington recreational fishery during the 2004 season.

Department of Natural Resources

Funding of \$23.5 million from the state general fund is provided for fire suppression costs that were incurred during the 2003 fire season. The Department responded to approximately 920 fires with 12,186 acres burned during the 2003 fire season.

The operating budget provides \$2.0 million from the state general fund, \$2.0 million from the Aquatic Lands Enhancement Account, and \$750,000 from the State Toxics Control Account to settle a toxic cleanup lawsuit filed in King County Superior Court by Pacific Sound Resources and the Port of Seattle against the state of Washington and other defendants.

The operating budget provides an additional \$200,000 from the state general fund to ensure that campsites and trails that are managed by the Department will remain open for public use.

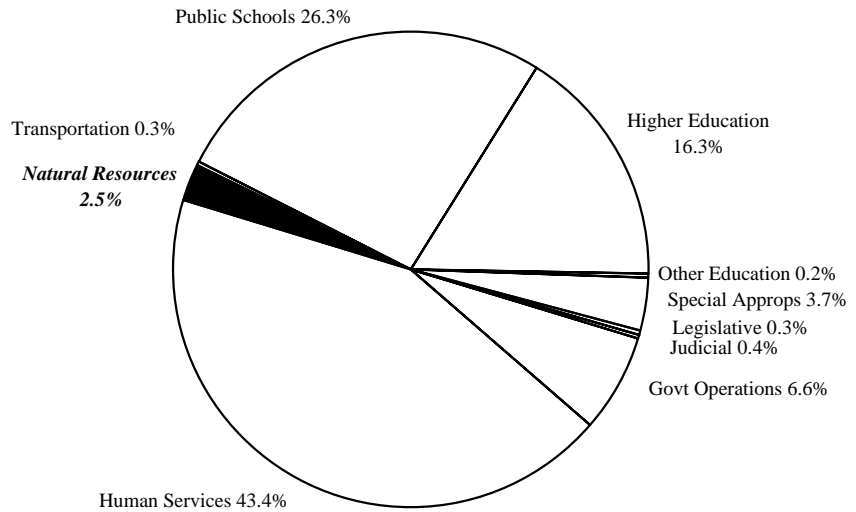
Department of Agriculture

Funding of \$1.8 million from the state general fund is provided to purchase agricultural products packing equipment and to contract with Washington State University for research and development activities related to asparagus harvesting and automation technology.

Funding of \$479,000 from the state general fund is provided to the Department's animal identification, food safety, and commercial feed inspection programs in response to the discovery of a Washington dairy cow infected with Bovine Spongiform Encephalopathy, also known as "mad cow" disease.

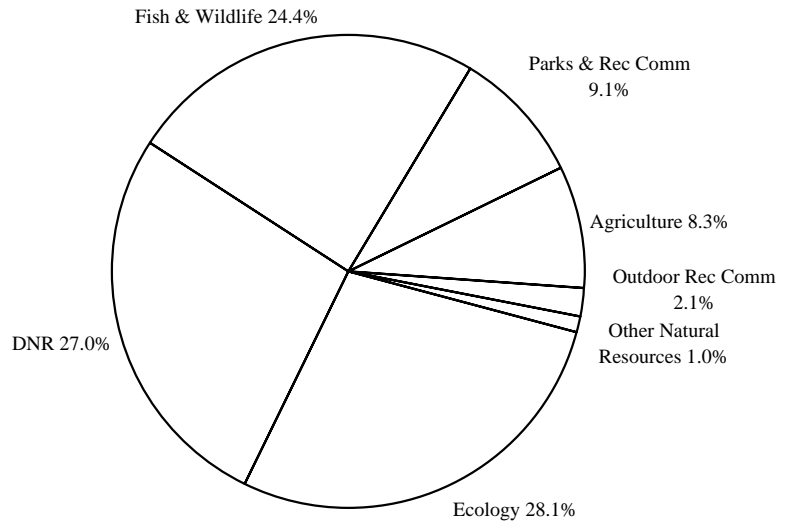
2003-05 Washington State Operating Budget
Total Budgeted Funds
(Dollars in Thousands)

Legislative	136,744
Judicial	167,656
Governmental Operations	2,989,896
Human Services	19,753,001
Natural Resources	1,149,662
Transportation	125,500
Public Schools	11,968,321
Higher Education	7,436,241
Other Education	99,594
Special Appropriations	1,667,388
Statewide Total	45,494,003



Washington State

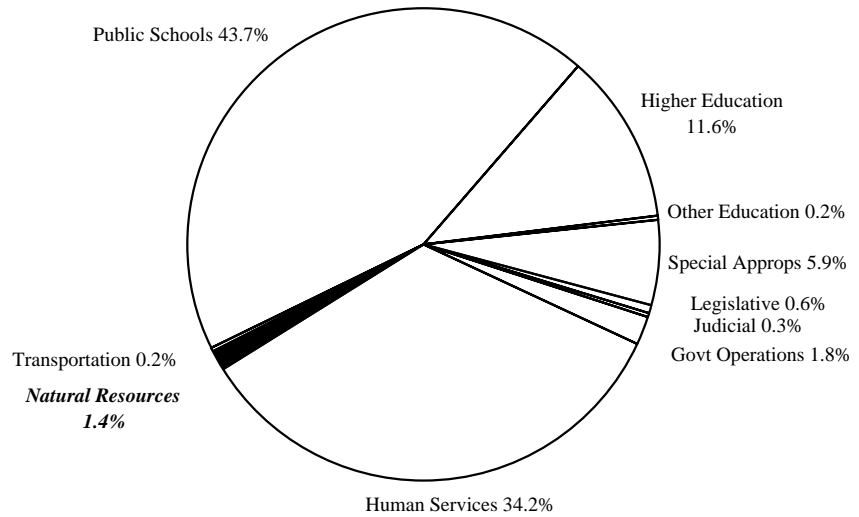
Ecology	323,316
Dept of Natural Resources	310,503
Dept of Fish & Wildlife	279,997
Parks & Recreation Comm	104,195
Dept of Agriculture	95,077
Outdoor Recreation	24,510
Other Natural Resources	12,064
Natural Resources	1,149,662



Natural Resources

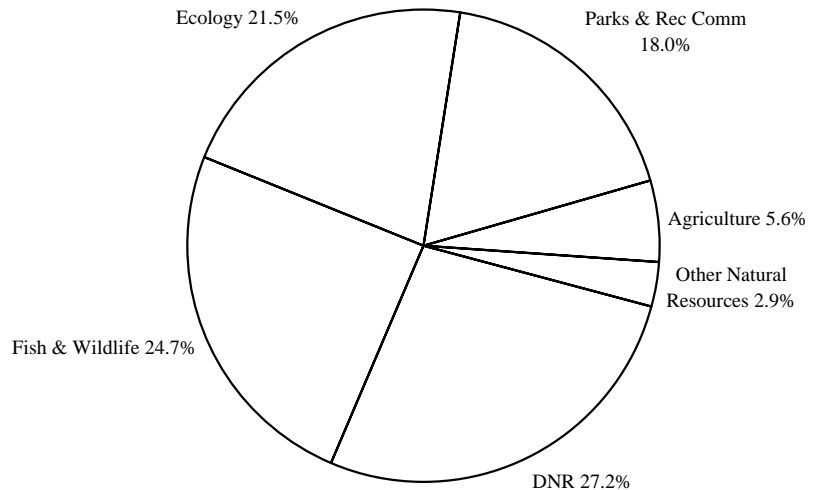
2003-05 Washington State Operating Budget
General Fund-State
(Dollars in Thousands)

Legislative	129,978
Judicial	79,536
Governmental Operations	419,961
Human Services	7,960,037
<i>Natural Resources</i>	<i>333,014</i>
Transportation	49,226
Public Schools	10,164,887
Higher Education	2,699,422
Other Education	39,932
Special Appropriations	1,370,095
Statewide Total	23,246,088



Washington State

Dept of Natural Resources	90,743
Dept of Fish & Wildlife	82,184
Ecology	71,739
Parks & Recreation Comm	60,049
Dept of Agriculture	18,577
Other Natural Resources	9,722
<i>Natural Resources</i>	<i>333,014</i>



Natural Resources

Department of Ecology

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Original Appropriations	66,727	249,884	316,611
Total Maintenance Changes	0	0	0
Policy Changes			
1. Electronic Products (ESHB 2488)	65	0	65
2. Instream Flow	1,043	0	1,043
3. Loan Tracking System Enhancements	0	41	41
4. Flood Control Emergency Grant Funds	0	140	140
5. Envirotest Settlement	2,500	0	2,500
6. Mercury/Rule/Chemical Action Plans	166	159	325
7. Hazardous Waste Mgmt Liability	0	350	350
8. Drought Response	0	323	323
9. Tribal Water Rights Mediation	300	0	300
10. Mitigation Bank	120	0	120
11. Rathdrum Prairie Aquifer Study	100	0	100
12. Oil Spill Prevention (SSB 6641)	0	144	144
13. Stormwater Permits (ESSB 6415)	0	536	536
14. Water Data Quality (E2SSB 5957)	218	0	218
15. Restore Water Rights Processing	500	0	500
Total Policy Changes	5,012	1,693	6,705
2003-05 Revised Appropriations	71,739	251,577	323,316
Fiscal Year 2004 Total	35,828	127,286	163,114
Fiscal Year 2005 Total	35,911	124,291	160,202

Comments:

1. **Electronic Products (ESHB 2488)** - Funding is provided for the Department to establish a subcommittee under the Solid Waste Advisory Committee to evaluate pilot projects and to develop recommendations for a statewide system for collecting, recycling, and reusing electronic products, pursuant to Chapter 194, Laws of 2004 (ESHB 2488).
2. **Instream Flow** - The Department of Ecology (DOE) may establish instream flow requirements by rule. Once established, such a flow is a water right with a date of priority that is the date the rule establishing it becomes effective. Funding is provided to DOE for: (1) establishing instream flows by rule for main stem rivers and their key tributaries; (2) working with counties that have existing geographic information systems to map existing water rights and document current ownership and evaluating alternative administrative systems for determining existing water rights; and (3) assigning one water master to a basin that has been adjudicated.
3. **Loan Tracking System Enhancements** - Beginning in the 1999-01 biennium, the Department received funding to develop and implement a water quality loan tracking system to better manage approximately \$400.0 million in water quality loans. Funding is provided for system compatibility with Windows XP and the Office of Financial Management's Accounting and Fiscal Report System (AFRS) changes and to address data transfer issues from Crystal Reports to Excel. (Water Pollution Control Revolving Account-State, Water Pollution Control Revolving Account-Federal)
4. **Flood Control Emergency Grant Funds** - The Department provides grants and technical assistance to local governments for flood damage reduction projects and comprehensive flood hazard management plans. For the current biennium, grant funding was reduced from approximately \$4.0 million to \$2.0 million. To address local emergency flood control projects, the remaining \$140,000 of the one-time fund balance is provided for grants to local governments. (Flood Control Assistance Account-State)
5. **Envirotest Settlement** - Funding is provided to settle the *Envirotest v. Department of Ecology* lawsuit. Envirotest, the former contractor of the state's vehicle emission testing program, filed a breach of contract suit against the state in February 2002 alleging lost profits due to legislative changes in the vehicle emission testing program. The parties reached a mediated settlement. One-time funding of \$2.5 million is provided to settle all claims.
6. **Mercury/Rule/Chemical Action Plans** - One-time funding of \$166,000 from the state general fund is provided for rulemaking and the development of a chemical action plan for the chemical compound known as polybrominated diphenyl ethers. One-time State Toxics Control Account funding in the amount of \$84,000 is provided to complete a memorandum of understanding with the Washington State Hospital Association and the Auto Recyclers of Washington for the safe disposal of products containing mercury, and \$75,000 of ongoing State Toxics Control Account funding is provided for coordinating

Department of Ecology

fluorescent lamp recycling. (State Toxics Control Account-State, General Fund-State)

7. **Hazardous Waste Mgmt Liability** - When hazardous waste management facilities are abandoned or go bankrupt, they leave property owners, customers, or the public with the responsibility of paying for cleaning up and removing waste safely. Cleanup costs range from several hundred thousand to millions of dollars. Funding is provided for rulemaking to require closure plans, liability coverage, and financial assurances for such facilities. In addition, a one-time contract for financial assurance expertise will be used to supplement the rule process and to develop technical assistance materials, assess and recommend pooled liability insurance options to lower costs for businesses, and assist in the review and approval of facility financial assurance documents. (Hazardous Waste Assistance Account-State)
8. **Drought Response** - One-time funding is provided for drought relief grants that will only be utilized if a drought is officially declared by the Governor. (State Drought Preparedness Account-State, State Emergency Water Projects Revolving Account-State)
9. **Tribal Water Rights Mediation** - At the request of the Lummi Nation, the federal government has filed for a declaration of the Lummi's water rights in federal court. DOE and the Office of the Attorney General have received support from the United States Department of the Interior to seek a mediated settlement of the water right claims of the Lummi Nation. One-time funding of \$200,000 is provided for mediation efforts with the Lummi Nation. In addition, \$100,000 of ongoing funding is provided for coordination and staff support for the Nisqually River Council Watershed Initiative program.
10. **Mitigation Bank** - One-time funding is provided for the Department to work with representatives from involved state agencies, the Army Corps of Engineers, business, mitigation banking organizations, and environmental organizations to develop and implement a wetland banking rule. The Department shall report to the appropriate committees of the Legislature on the progress of the pilot rule by December 2004.
11. **Rathdrum Prairie Aquifer Study** - The Spokane Valley-Rathdrum Prairie (SVRP) aquifer represents the sole source of drinking water for over 400,000 residents in Spokane County, Washington and Kootenai County, Idaho. Recent and projected urban, suburban, and industrial/commercial growth has raised concerns about potential future impacts on water availability and water quality in the SVRP aquifer. The states of Washington and Idaho are partnering with the U.S. Geological Survey (USGS) to study the aquifer. One-time funding is provided to match federal and Idaho State funding to support the initial phase of the federal USGS study of the SVRP aquifer.
12. **Oil Spill Prevention (SSB 6641)** - Ongoing funding is provided to implement Chapter 226, Laws of 2004 (SSB 6641). The bill requires the Department to adopt rules for ship refueling and bunkering, transfers of oil between facilities and a tank vessel, and the development of a "zero spill" strategy to prevent the release of oil or hazardous substances into marine waters. Funding is provided for rule development and additional staff for inspection of oil transfers. (Oil Spill Prevention Account-State)
13. **Stormwater Permits (ESSB 6415)** - Ongoing funding is provided to implement the provisions of Chapter 225, Laws of 2004 (ESSB 6415). The bill authorizes the Department to issue stormwater general permits for industrial and construction dischargers within federal requirements. (Water Quality Permit Account-State)
14. **Water Data Quality (E2SSB 5957)** - Ongoing funding is provided to implement the provisions of Chapter 228, Laws of 2004 (E2SSB 5957). The bill requires the Department to adopt rules and procedures that ensure water quality decisions are based on data that meet certain quality standards.
15. **Restore Water Rights Processing** - Ongoing funding is restored for reducing the backlog of applications for water rights changes and transfers. The 2001 Legislature enacted a law allowing the Department to provide priority processing for water right changes and provided a budget increase that more than doubled the number of staff dedicated to processing water rights. The 2003-05 biennial budget reduced that funding by \$500,000 per year. This adjustment restores that funding for FY 2005.

State Parks and Recreation Commission

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Original Appropriations	59,962	43,184	103,146
Total Maintenance Changes	87	140	227
Policy Changes			
1. Digital Government	0	72	72
2. Grants and Donations	0	750	750
Total Policy Changes	0	822	822
2003-05 Revised Appropriations	60,049	44,146	104,195
Fiscal Year 2004 Total	30,015	20,921	50,936
Fiscal Year 2005 Total	30,034	23,225	53,259

Comments:

1. **Digital Government** - State Parks recently replaced its network server. Funding is provided to replace outdated software, improve computer security, and utilize statewide applications such as the Travel Voucher System. Funding for a combination of one-time costs (\$66,400) and ongoing technical support (\$5,600) is provided. (Parks Renewal and Stewardship Account-State)
2. **Grants and Donations** - State Parks periodically receives unrestricted donations as well as grants for specific park-related purposes. State law provides for donations to be deposited in the Parks Renewal and Stewardship Account-State. Expenditure authority is provided so the agency can expend these donations. (Parks Renewal and Stewardship Account-State, Parks Renewal and Stewardship Account-Private/Local)

Interagency Committee for Outdoor Recreation

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
2003-05 Original Appropriations	2,502	21,758	24,260
Policy Changes			
1. Biodiversity Strategy	<u>125</u>	<u>125</u>	<u>250</u>
Total Policy Changes	125	125	250
2003-05 Revised Appropriations	2,627	21,883	24,510
Fiscal Year 2004 Total	1,246	10,859	12,105
Fiscal Year 2005 Total	1,381	11,024	12,405

Comments:

1. **Biodiversity Strategy** - Funding is provided to begin implementing the recommendations contained in the Washington Biodiversity Conservation Strategic Report (October 2003), including the development of a state biodiversity strategy. This strategy is intended to replace existing single-species or single-resource protection programs with a more holistic approach. Work shall include identifying elements for a comprehensive biodiversity strategy, developing incentives for private landowners to protect biodiversity, enhancing state agency assessments of ecoregions, and increasing efforts to conserve biodiversity on state lands. State funds will be matched by private funding to begin implementing the Biodiversity Committee's recommendations. (General Fund-State, General Fund-Private/Local)

Environmental Hearings Office

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
2003-05 Original Appropriations	1,883	0	1,883
Total Maintenance Changes	15	0	15
Policy Changes			
1. Water Rights Permit Backlog	34	0	34
Total Policy Changes	34	0	34
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2003-05 Revised Appropriations	1,932	0	1,932
Fiscal Year 2004 Total	934	0	934
Fiscal Year 2005 Total	998	0	998

Comments:

- Water Rights Permit Backlog** - Last biennium, the Department of Ecology received funding to eliminate the backlog of water right change permits. In addition, the Environmental Hearings Office received funding for one additional appeals judge to review the appeals of these additional decisions. This water right change appeals judge is increased from working only 60 percent time to working 80 percent time to provide an independent review of these appeals.

State Conservation Commission

(Dollars in Thousands)

	<u>GF-S</u>	<u>Other</u>	<u>Total</u>
2003-05 Original Appropriations	4,479	2,162	6,641
Policy Changes			
1. Education/Tech Assistance for CAFO	<u>0</u>	<u>250</u>	<u>250</u>
Total Policy Changes	0	250	250
<hr/>			
2003-05 Revised Appropriations	4,479	2,412	6,891
Fiscal Year 2004 Total	2,234	1,076	3,310
Fiscal Year 2005 Total	2,245	1,336	3,581

Comments:

1. **Education/Tech Assistance for CAFO** - One-time funding is provided for grants to conservation districts for education, outreach, and technical assistance programs to assist owners and operators of Concentrated Animal Feeding Operations (CAFO) with compliance issues related to federal CAFO requirements and the Department of Agriculture's livestock nutrient management program. (Water Quality Account-State)

Department of Fish and Wildlife

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Original Appropriations	81,632	196,208	277,840
Total Maintenance Changes	140	-407	-267
Policy Changes			
1. Contract Management System	150	150	300
2. Hunter Education	0	43	43
3. Oyster Reserve	0	274	274
4. Select Fishery-Lake Wash & E. WA	0	150	150
5. Razor Clam License (SHB 2621)	0	16	16
6. Dungeness Crab Card (SHB 2431)	0	417	417
7. Commercial License Buyback	112	0	112
8. Fish Acclimation Pond Study	50	0	50
9. Mitigate Hatchery Reduction	50	0	50
10. Habitat Mitigation Agreements	0	200	200
11. Lease Payments & Facility Plan	50	0	50
12. Critical Wildlife Disease Testing	0	180	180
13. Wildfire	0	416	416
14. Access Area Maintenance	0	166	166
Total Policy Changes	412	2,012	2,424
2003-05 Revised Appropriations	82,184	197,813	279,997
Fiscal Year 2004 Total	41,600	96,380	137,980
Fiscal Year 2005 Total	40,584	101,433	142,017

Comments:

1. **Contract Management System** - The current contract management system within the Department tracks approximately 1,300 contracts and amendments annually. The Department has developed the first phase of a revised system and seeks to complete the system. This item provides one-time funding for completion of the financial reporting components of the system to provide timely and relevant management information about projects and funding. It is assumed that future operations and maintenance needs for the system are to be absorbed by the Department. (General Fund-State, Wildlife Account-State)
2. **Hunter Education** - Increasing demand for hunter education has limited the Department's ability to provide an adequate number of courses to the public and to retain a sufficient number of qualified volunteer instructors. This item provides one-time funding of \$30,000 for instructor training and recognition costs and an increase of \$13,000 in ongoing funding for classroom materials and out-of-pocket instructor costs. (Wildlife Account-State)
3. **Oyster Reserve** - During the 2001-03 biennium, revenues from the oyster reserve program exceeded initial projections by roughly \$160,000. The success of the program requires additional work to maintain existing revenues and to expand the program to increase revenues in future years. Initial authority allowed the Department to use 40 percent of the revenue to administer the program, to return 10 percent to the state general fund, and to transfer 50 percent to the Puget Sound Action Team for distribution as grants to improve septic systems in coastal areas of southwest Washington. This item provides an increase of \$274,000 to continue and expand current activities and brings the total spending to \$411,000 per biennium. (Oyster Reserve Lands Account-State)
4. **Select Fishery-Lake Wash & E. WA** - Preliminary forecasts indicate a Lake Washington Sockeye Salmon return of roughly 600,000 fish. To open this additional recreational fishing opportunity to the public, the Department must increase fishery monitoring and sampling to ensure that fish listed under the Endangered Species Act are adequately protected. This item provides one-time funding to conduct supplemental monitoring and sampling to open the Lake Washington Sockeye Fishery and one additional eastern Washington recreational fishery during the 2004 season. (Recreational Fisheries Enhancement Account-State, Wildlife Account-State)
5. **Razor Clam License (SHB 2621)** - Funding is provided to administer a new razor clam license as outlined in Chapter 248, Laws of 2004 (SHB 2621). The bill establishes an annual and a 3-day razor clam license, eliminates the 2-day personal use shellfish and seaweed license, and limits the ability of the Department to collect personal information from an applicant. The 3-day razor clam license is \$3.50 for both residents and non-residents and the annual razor clam license costs \$5.50 for a Washington resident and \$11.00 for a non-resident. In addition, razor clam licenses are assessed a surcharge for biotoxin testing and monitoring. (Wildlife Account-State)

Department of Fish and Wildlife

6. **Dungeness Crab Card (SHB 2431)** - Funding is provided to implement Chapter 107, Laws of 2004 (SHB 2431). The bill requires the Department to use revenue from the sale of Dungeness catch record cards for sampling and monitoring of the harvest associated with the Dungeness crab recreational fisheries. The bill requires a catch record card endorsement for Puget Sound recreational fishers to take or possess Dungeness crab. Endorsements may not exceed \$3.00. (Wildlife Account-State)
 7. **Commercial License Buyback** - One-time funding is provided to buyback purse seine fishing licenses as part of a commercial license buyback program. This program allows salmon fishers the opportunity to sell their licenses back to the state and exit from salmon fisheries.
 8. **Fish Acclimation Pond Study** - One-time funding is provided for a feasibility study for an acclimation pond at or near the Chelan fish hatchery.
 9. **Mitigate Hatchery Reduction** - Ongoing funding is provided to restore budget reductions that threatened hatchery production and public education opportunities at the Issaquah facility.
 10. **Habitat Mitigation Agreements** - Funding for upland habitat mitigation agreements in the Snake River region is transferred from the capital budget to the operating budget. The \$500,000 capital appropriation from the Wildlife Account-State for this purpose is deleted. Instead, \$500,000 from the Wildlife Account-State is transferred to the Special Wildlife Account-State to be available for appropriations for habitat mitigation agreements over multiple biennia. (Special Wildlife Account-State, Special Wildlife Account-Local)
 11. **Lease Payments & Facility Plan** - Funding is provided for lease payments for the hatchery manager's residence at the Vancouver facility. One-time funding is also included for design work for an environmental education facility in cooperation with the Columbia Springs Environmental Education Center.
 12. **Critical Wildlife Disease Testing** - In the 2002 supplemental budget, the Department received \$180,000 in FY 2003 to help control wildlife disease, such as Chronic Wasting Disease (CWD) in deer and elk, and to document sources of swan lead poisoning. However, the supplemental funding was not fully recognized in the 2003-05 budget. This item fully funds these activities in the second year. Of the amount provided, \$115,000 is to continue CWD testing in deer and elk, and \$65,000 is provided to document the extent of lead poisoning in swans and to begin the process of environmental cleanup. (Wildlife Account-State)
 13. **Wildfire** - Wildfires burned in excess of 6,250 acres of Department lands during the summer of 2003. Funding is provided for fire suppression costs and rehabilitation costs on agency lands. The Department will reimburse \$122,000 of these funds to the Department of Natural Resources for fire suppression costs on Department of Fish and Wildlife lands.
 14. **Access Area Maintenance** - Increased use of access sites has resulted in steady deterioration of boat ramps, signs, fences, and restrooms as well as an erosion of the Department's weed control efforts at these sites. Funding is provided from the sale of vehicle use permits at access sites to support the Department's maintenance and weed control activities. (Wildlife Account-State)
- Rehabilitation includes erosion control, restoring native perennial vegetation, and limiting the spread of noxious weeds. Additional funding in the amount of \$166,000 is provided for restoration of deer, elk, and boundary fencing on agency lands destroyed by wildfires. (Wildlife Account-State)

Department of Natural Resources

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Original Appropriations	64,540	215,605	280,145
Total Maintenance Changes	19	58	77
Policy Changes			
1. NRCA Fire Damage Restoration	60	0	60
2. Pacific Sound Resources Litigation	300	0	300
3. Emergency Fire Suppression	23,516	1,307	24,823
4. Marina Rent Study	0	40	40
5. Recreation Site & Trail Maintenance	200	0	200
6. Mapping of Gravel & Stone Deposits	108	0	108
7. Pacific Sound Resources Settlement	2,000	2,750	4,750
Total Policy Changes	26,184	4,097	30,281
2003-05 Revised Appropriations	90,743	219,760	310,503
Fiscal Year 2004 Total	54,189	118,440	172,629
Fiscal Year 2005 Total	36,554	101,320	137,874

Comments:

1. **NRCA Fire Damage Restoration** - One-time funding is provided for habitat restoration in the Department-managed Loomis Natural Resource Conservation Area (NRCA), which sustained damage as a result of fighting the Farewell Creek fire during the summer of 2003. Restoration work for this conservation area will meet a higher standard than restoration on non-conservation lands and will include reshaping slopes to the natural contour and the replanting of a fire road with native vegetation.
2. **Pacific Sound Resources Litigation** - One-time funding is provided for legal defense costs related to a toxic-cleanup lawsuit filed in King County Superior Court by Pacific Sound Resources and the Port of Seattle against the state of Washington, the Department of Natural Resources (DNR), and other defendants.
3. **Emergency Fire Suppression** - One-time funding is provided for incurred and anticipated emergency fire suppression costs during FY 2004 in excess of the Department's existing fire suppression appropriations. Funding includes \$1.0 million in anticipated fire suppression costs. Funding is also provided in the appropriations for the Department of Fish and Wildlife (WDFW) to offset costs incurred by DNR for fire suppression on the WDFW lands. Emergency fire suppression funding is not provided for indirect and administrative costs within the Department. (General Fund-State, General Fund-Federal)
4. **Marina Rent Study** - One-time funding is provided for DNR to calculate the rent for DNR-leased marinas to be based on a percentage of a marina's income and to recommend an appropriate formula to the 2005 Legislature. (Aquatic Lands Enhancement Account-State)
5. **Recreation Site & Trail Maintenance** - Ongoing funding is provided to avoid closures of campsites and trails maintained by the Department. This additional funding, along with increases provided in the biennial budget from the Off-Road Vehicle Account-State, restores 2003-05 reductions in General Fund-State support for campsites and trails. If additional funding is required to avoid closures to campsites and trails during the 2003-05 biennium, the Department is directed to reduce expenditures for agency administration by 5 percent and redeploy those general fund resources to the recreation program prior to closing any campsites or trails.
6. **Mapping of Gravel & Stone Deposits** - One-time funding is provided for mapping of gravel and stone resources for Clark and Yakima Counties. The project should produce electronic geologic maps with databases that estimate the thickness and volumes of the deposits.
7. **Pacific Sound Resources Settlement** - Funding is provided to settle the *Pacific Sound Resources v. Burlington Northern Santa Fe et al.* lawsuit. Pacific Sound Resources (PSR) and other now defunct wood treatment companies previously operated at the PSR site at Seattle's Harbor Island while the site was owned by the state. During wood-treatment operations, the soil and groundwater at the site were contaminated with wood treating chemicals. The Port of Seattle, which is the site's current owner, and PSR filed a lawsuit in King County Superior Court against the State, DNR, and other defendants to recover amounts claimed to have been spent in cleaning up the site. One-time funding of \$4.75 million is provided for settlement costs and is contingent upon the signing of a final settlement agreement between the Port of Seattle, PSR, and DNR. (State Toxics Control Account-State, Aquatic Lands Enhancement Account-State, General Fund-State)

Department of Agriculture

(Dollars in Thousands)

	GF-S	Other	Total
2003-05 Original Appropriations	14,688	76,183	90,871
Total Maintenance Changes	0	232	232
Policy Changes			
1. BSE Ongoing Response	329	0	329
2. Animal Disease Emergency Response	150	0	150
3. Agricultural Economic Development	630	0	630
4. Agriculture Industry Assistance	1,500	0	1,500
5. Asparagus Technology Study	330	0	330
6. Spartina Eradication	0	85	85
7. Hop Commission Assistance	400	0	400
8. Herbicide Study	50	0	50
9. Noxious Weed Control	500	0	500
Total Policy Changes	3,889	85	3,974
2003-05 Revised Appropriations	18,577	76,500	95,077
Fiscal Year 2004 Total	7,636	37,612	45,248
Fiscal Year 2005 Total	10,941	38,888	49,829

Comments:

1. **BSE Ongoing Response** - Ongoing funding is provided in response to the discovery of a Washington dairy cow infected with Bovine Spongiform Encephalopathy (BSE), also known as "mad cow" disease. This funding will enhance the agency's animal identification, food safety, and commercial feed inspection programs.
2. **Animal Disease Emergency Response** - The discovery of BSE in a Washington dairy cow set off an incident response by the Washington State Department of Agriculture and other state agencies. As a result, additional one-time staffing and funding is provided to cover estimated overtime and legal costs.
3. **Agricultural Economic Development** - Ongoing funding is provided to continue five agricultural promotion programs whose funding would otherwise expire, or be reduced, during the 2003-05 biennium. "From the Heart of Washington" produces articles, advertisements, and events to "buy Washington," thereby promoting Washington agriculture. A Southeast Asia/China trade representative assists international sales of Washington products to those areas of the world. The Small Farm and Direct Marketing Program connects small farmers directly with consumers, and the Department's domestic marketing and food and agricultural industry security programs are also enhanced.
4. **Agriculture Industry Assistance** - One-time funding is provided to the Department for the purchase of agricultural products packing equipment. The Department shall negotiate an appropriate agreement with the agricultural industry for the use of the equipment.
5. **Asparagus Technology Study** - Ongoing funding is provided to the Department to contract with Washington State University for research and development activities related to asparagus harvesting and automation technology.
6. **Spartina Eradication** - Spartina is a noxious aquatic weed. One-time funding is provided for spartina eradication efforts in Willapa Bay and Grays Harbor. (Aquatic Lands Enhancement Account-State)
7. **Hop Commission Assistance** - One-time funding is provided for the Hop Commission to research and develop new harvesting technologies.
8. **Herbicide Study** - Irrigation Districts must obtain national pollutant discharge elimination system permits from the Department of Ecology for their application of aquatic herbicides that keep canals free of weeds and algae. To obtain these permits, aquatic herbicides must be studied in order to determine their impact on water quality. One-time funding is provided to assist the Washington State Water Resources Association in their study of the aquatic herbicide Xylene.
9. **Noxious Weed Control** - Ongoing funding is provided for the control of Japanese knotweed in southwest Washington. This bamboo-like plant was introduced to Europe in the mid-nineteenth century as an ornamental plant and has spread throughout Europe and into many states in the U.S. Japanese knotweed is a noxious weed that rapidly spreads through its root system and through new stems from the parent plant. The plant has infested approximately 26 counties in Washington State and disturbs upland and riparian areas by out-shading native vegetation.